## **CLAIMS**

## What is claimed is:

- 1. A method of inhibiting formation of neurofibrillary tangles in an individual, said method comprising: reducing formation of a carboxyl-terminal truncated form of apoE in a neuron in the individual.
- 2. The method of claim 1, comprising administering to the individual an agent that reduces a proteolytic activity of an enzyme that catalyzes the proteolytic degradation of apoE in a neuronal cell.
- 3. The method of claim 1, wherein the reduction in formation of carboxyl-terminal truncated apoE treats a disorder related to apoE in an individual.
- 4. The method of claim 3, wherein the disorder is selected from the group consisting of Alzheimer's disease, coronary artery disease, head trauma, and stroke.
  - 5. The method of claim 3, wherein the apoE is apoE4.
- 6. The method of claim 5, wherein the carboxyl-terminal truncated form of apoE4 is apoE4 ( $\Delta$ 272-299).
- 7. A transgenic non-human animal comprising a transgene stably integrated into the genome of said animal, wherein said transgene comprises a nucleotide sequence encoding carboxyl-terminal truncated apoE operably linked to a promoter such that carboxyl-terminal truncated apoE-encoding sequences are expressed, and carboxyl-terminal truncated apoE protein is synthesized, in a neuron in said animal, and wherein, as a result of said synthesis of said carboxyl-terminal truncated apoE protein, said transgenic animal develops symptoms of AD.

- 8. The transgenic non-human animal of claim 7, wherein the transgenic nucleotide sequence encoding carboxyl-terminal truncated apoE is overexpressed, resulting in elevated levels of carboxyl-terminal truncated apoE relative to an animal of the same species not harboring said transgene.
  - 9. The transgenic non-human animal of claim 7, wherein the apoE is apoE4.
- 10. The transgenic non-human animal of claim 9, wherein said carboxyl-terminal truncated apoE4 is apoE4( $\Delta$ 272-299).
- 11. The transgenic non-human animal of claim 7, wherein the symptom of AD is the presence of neurofibrillary tangles in a neuronal cell.
- 12. A method of screening for biologically active agents that modulate a phenomenon associated with Alzheimer's disease (AD), comprising:
  - (a) contacting a cell that produces a carboxyl-terminal truncated apoE with a test agent; and
  - (b) determining the effect of said agent on the level of carboxyl-terminal apoE in the cell.
- 13. The method of claim 12, wherein the cell is a cell in a non-human transgenic animal that comprises, as a transgene, a nucleic acid that comprises a nucleotide sequence encoding apoE, and wherein a reduction in the level of carboxyl-terminal truncated apoE results in a reduction in neurofibrillary tangles.
  - 14. The method of claim 12, wherein the cell is an *in vitro* cell.
- 15. A method of screening for biologically active agents that reduce a proteolytic activity of an enzyme that catalyzes the proteolytic degradation of apoE in a neuronal cell, comprising:

contacting the enzyme with a test agent and a substrate that provides a detectable product when acted on by the enzyme; and

determining the effect, if any, of the test agent on formation of detectable product.

- 16. The method of claim 15, wherein the substrate is a peptide of the formula  $(P_3)_nP_2P_1$ -X, wherein  $P_4P_3P_2P_1$  is a peptide, wherein X is a moiety that is linked to the carboxyl terminus of the peptide, and that provides a detectable signal when cleaved from the peptide upon action by the enzyme,  $P_1$  is a hydrophobic residue selected from the group consisting of leucine, phenylalanine and methionine;  $P_2$  is proline;  $P_3$  is alanine, and  $p_2$ .
- 17. An isolated cell comprising a nucleic acid molecule that comprises a nucleotide sequence that encodes a carboxyl-terminal truncated form of apoE.
  - 18. The isolated cell of claim 17, wherein the apoE is apoE4.
- 19. The isolated cell of claim 17, wherein said carboxyl-terminal truncated form of apoE4 is apoE4( $\Delta$ 272-299).
  - 20. The isolated cell of claim 17, wherein said cell is a neuronal cell.
- 21. A method of inhibiting formation of neurofibrillary tangles in an individual, the method comprising: inhibiting interaction of a carboxyl-terminal truncated form of apoE with other components of a neurofibrillary tangle.
- 22. The method of claim 21, wherein the other components of a neurofibrillary tangle are selected from the group consisting of phosphorylated tau and phosphorylated NF-H.
- 23. A method of inhibiting formation of neurofibrillary tangles in a neuronal cell of an individual, the method comprising: contacting the neuronal cell with an agent that inhibits an enzymatic activity of an enzyme in the neuronal cell that catalyzes cleavage of apoE in the cell to generate carboxyl-terminal truncated apoE.

- 24. The method of claim 23, wherein the agent is a peptide selected from the group consisting of Ala-Ala-Pro-Phe (SEQ ID NO:1), Ala-Ala-Pro-Leu (SEQ ID NO:3), and Ala-Ala-Ala-Pro-Phe (SEQ ID NO:4).
  - 25. A pharmaceutical preparation comprising:
  - a) an inhibitor of a chymotrypsin-like protease inhibitor;
  - an agent selected from the group consisting of an acetylcholinesterase inhibitor, a non-steroidal anti-inflammatory agent, a cyclooxygenase-2 inhibitor, and a monoamine oxidase inhibitor; and
  - c) a pharmaceutically acceptable excipient.
  - 26. A method of treating Alzheimer's disease, the method comprising:
  - a) assaying for the presence of carboxyl-terminal truncated apoE in a neuronal cell; and
  - b) administering an inhibitor of an enzyme that catalyzes the formation of carboxylterminal truncated apoE in a neuronal cell.

## 27. A kit comprising:

a composition comprising an inhibitor of an enzyme that catalyzes the formation of carboxyl-terminal truncated apoE in a neuronal cell; and a pharmaceutically acceptable excipient; and

instructions for administering the composition to an individual in need of thereof.

- 28. A method of treating Alzheimer's disease, the method comprising:
  administering an inhibitor of a chymotrypsin-like serine protease in an amount effective
  to inhibit an enzyme that catalyzes the formation of carboxyl-terminal truncated apoE in a
  neuronal cell, wherein the enzyme is inhibited and the level of neurofibrillary tangles in a
  neuronal cell in the individual is reduced.
  - 29. A composition comprising:
  - a) an agent that inhibits an enzyme that catalyzes the formation of carboxylterminal truncated apoE in a neuronal cell; and
  - b) a pharmaceutically acceptable excipient.

- 30. The composition according to claim 29, wherein the agent is selected from the group consisting of Ala-Ala-Pro-Phe (SEQ ID NO:1), Ala-Ala-Pro-Met (SEQ ID NO:2), Ala-Ala-Pro-Leu (SEQ ID NO:3), and Ala-Ala-Ala-Ala-Pro-Phe (SEQ ID NO:4).
- 31. A method of reducing the level of carboxyl-terminal truncated apoE in a neuronal cell, the method comprising:

contacting the cell with an agent that reduces activation of an enzyme that catalyzes the formation of carboxyl-terminal truncated apoE in a neuronal cell by  $A\beta_{1-42}$ , wherein a reduction in the activation of the enzyme results in a reduction in the level of carboxyl-terminal truncated apoE in the cell.